

Development (1939) Department.

MS SERIES.

G.O. No. 852

DATED 14 1939

[Despatch Abstract.]

Mines - Mining prospecting licence.
Red oxide (Jinnikhunta Village)
~~S. No 326~~ Bellary Taluk -
Bellary Dt S No 326 - Ninkan Shv
al to Government
Rejected

C. Srinivasa Rao,
Agent to Mr. V. Nimbkar.



376

Tadpatri. M.S.M.

29th December 1938.

19/31/12

31/38

The Honourable The Minister,
Industries & Labour,
Government of Madras,
M A D R A S.

30

Sir,

I beg to state that I was in ~~Madras~~ Madras on the 17th inst and I telephoned to you requesting you for a few minutes of interview and you were pleased to reply that you would be going out of Madras that very night and that I could call on you on the morning of the 20th inst. Accordingly I waited till the 21st inst at Madras and when I was told in the Office that your programme was not definitely known I had to return here to attend to urgent shipments. I wanted to start again to Madras today: but I learn from the papers that you will be touring round Rajapalayam till the end of this month.

While sending my appeal by Registered Post so as not to be too late, I pray that you may be pleased to defer orders in this matter till ~~you~~ I am given a chance of paying my respects personally and explaining everything pertaining to our appeal. Though we have the right of priority in our favour I should like to take actual samples of our products and explain things.

I beg to request that you may be pleased to grant me an interview any day after the 10th of January 1939.

I beg to remain,
Sir,
Your most obedient servant,

C. Srinivasa Rao
A G E N T
to Mr. V. Nimbkar.

C. Srinivasa Rao,
Agent to Mr. V. Nimbkar.



Tadpatri. M.S.M.Rly.
17th December 1938.

27th

The Honourable The Minister
Industries & Labour,
Government of Madras,
M A D R A S.

Sir,

Mining - Prospecting - Red Oxide of Iron - Bellary
Taluk - S. No. 326 of Janikunta village & S. No. 276
of Haraginadona village.

References:- Our original application dated 6/11/36
& subsequent applications dated 21/4/38 & 6/5/38.
Bellary Collector's Letter L Dis. PLA No. 3 & 4/38
dated 8/7/1938.

pp 21 c-f — Our Appeal to the Board of Revenue dated 18/8/1938.
Resolution of The Board of Revenue Rout-No. 3835
dated 13/9/1938.

123 w/pe

I beg to submit that my principal, Mr. Nimbkar, applied
for a Prospecting License in S. No. 311 of Haraginadona and S.
No. 326 of Janikunta village to the Collector of Bellary on
6/11/1936. This has been registered in the Register of Prospect-
ing Licenses in Bellary Collectorate on 12/11/1936. We received
a letter from the Collector of Bellary (Vide copy of Collector's
PLA 12/36 A-1 dated 13/11/36) stating that S. No. 311 had been
applied for on mining lease by Mr. Y. D. Rami Reddi and that
therefore the area was not available; that Mr. S.S. Guzdar of
Calcutta had applied for 160 acres in S. No. 326 of Janikunta
and that we might, if we chose, demarcate a portion other than
that applied for by Mr. Guzdar. We, accordingly, demarcated the
greater portion of S. No. 326 leaving the portion that had been
applied for by Mr. Guzdar. We were granted a Prospecting License
in November 1937 and we excavated extensive trial pits in all
likely places during the year of license. The results were
disappointing inasmuch as none of the pits showed any signs of

P.T.O.

of ore. We have again applied for a renewal of the same license with a view to deepen the pits still further.

h/b - 1/1

Again, on 5/4/1937 we applied for a mining lease over S. No. 311 of Haraginadona village on the ground that Mr. Y. D. Rami Reddi's Certificate of Approval had not been renewed for the year 1937 uptill that date. When the Board of Revenue subsequently renewed his Certificate and granted a lease to him for the whole of S. No. 311 we appealed to the Collector of Bellary on 30/6/1937 (Vide copy of petition attached) to reconsider our case on the ground that we ~~was~~ were buying all our requirements from Mr. Y. D. Rami Reddy and that in view of our guaranteeing a minimum annual quantity the area may be kindly distributed among the several applicants in proportion to their capacity to produce and sell the mineral. The Collector sent us an endorsement to the effect that there were no grounds for revising his decision.

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At the same time we examined the Registers maintained at the Bellary Collectorate for Prospecting Licenses and Mining Leases and found no entry whatever in either of the registers regarding S. No. 326 or Mr. Guzdar's application. So we immediately applied for S. No. 326 of Janikunta and S. No. 276 of Haraginadona (the areas for which Mr. Guzdar was reported to have applied) on 10th May 1938 (Vide copy of our application attached). We stated in that application that this step of ours was taken as the result of our inspection of the Registers at the Bellary Collectorate. We received a reply from the Collector of Bellary on 17/7/1938 rejecting our application on the ground "that the portions applied for were already included in the blocks granted on Mining Lease to Mr. S. S. Guzdar of Calcutta."

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We then appealed to the Board of Revenue on 18/8/1938 on the Collector's Order (Vide copy of our Petition attached). The Board of Revenue in their Proceedings Rout. No. 3835 dated 13th September 1938 rejected our petition and communicated to us
P.T.O.

that we had no right of priority and that consequently they saw no reason to interfere with the Collector's Order.

2871 Dec
16.11.36

Now we learn that Mr. Guzdar's lease Order has been cancelled by the Government and that Mr. V. P. Rangaswami Chetty of Tadpatri has been granted a Lease over the area covered by S. Nos. 326 of Janikunta and 276 of Haraginadona - the same area that was originally given to Mr. Guzdar of Calcutta.

We now beg to appeal to Government against this grant.

In the first place, though the Revenue Board expressed their opinion that we have no right of priority as against Mr. S. S. Guzdar, we beg to submit that according to the entries in the Registers maintained in Bellary Collectorate for prospecting licenses and leases Mr. V. P. Rangaswami Chetty's application has been registered on 25/2/1937 while our own application has been registered on 12/11/1936. Thus, as between Mr. Rangaswami Chetty and ourselves we have certainly the right of priority.

Further, as we have repeatedly represented to the Collector of Bellary and to the Board of Revenue we are the sole consumers of Red Oxide of Iron produced in Bellary District. So far we have purchased from Mr. Y. D. Rami Reddi during the last three years 568 tons of oxide and within the next couple of months we will be consuming another hundred tons. Beyond this quantity Mr. Y. D. Rami Reddi has not been able to do any bulk business in this mineral on his own. As a matter of fact, the only consignment of one wagon that was despatched by him to one of the paint manufacturers in Calcutta was rejected as unsuitable for their purposes. We have our own methods of processing this and other oxides and making them suitable for paint manufacture. We have also been receiving enquiries from overseas; but in the absence of a mining block of our own we ~~feel~~ feel nervous to undertake such commitments.

We have been carrying on extensive mining operations in Anantapur District since 1935 and we have spent over Rs. 50,000/- P.T.O.

on Barytes alone. During the famine conditions obtaining in Muchukota and surrounding villages in Anantapur District in 1935 we did considerable mining work and afforded relief to the famine-stricken people. Since then our business has almost trebled itself. After installing our second grinding plant at Tadpatri we have been producing large quantities of barytes and naturally we are employing all the local available labour and carts. In addition to our own production we have also been buying from other mine-owners in Cuddapah district, which means that the major portion of the value paid goes to the famine-stricken people. We have thus been affording paying work to all classes of people in the villages and we make bold to submit that we are entitled to a consideration of our just claims for a mining block of our own by the Government.

I respectfully pray that we may be kindly granted a mining concession in S. No. 326 of Janikunta village for Red oxide of iron for which we are entitled by right of priority.

I beg to remain,

Sir,

Your most obedient servant,


AGENT
to Mr. V. Nimbkar.

Proceedings of the Collector of Bellary.

A. G. Blake, Esq., I.C.S.

Ref: P.L.A. 12/36 A-1 dated 13 - 11 - 36.

Mining - Prospecting License - Bellary Taluk - Haraginadona
village - S. No. 311 and Janikunta village S.No. 326 -
Red Oxide applications - Vishnu Nimbkar, Bombay.

O R D E R.

The applicant is informed that the full extent of S. No. 311 of Haraginadona village has already been applied for on mining lease by Mr. Y.D.Rami Reddi and the matter is under consideration. It is therefore not available. With regard to S. No. 326 of Janikunta village he is informed that an extent of about 160 acres has already been applied for on prospecting license by S.S.Guzdar of Calcutta. If the applicant desires he may inspect the field, demarcate the portion other than that applied for by S.S.Guzdar and submit a sketch showing the portion required by him. He should submit his reply within a fortnight, failing which his application will be rejected.

By Order.

A.S.N./16-11/P.

Sd/-
Eng. Head Clerk.

To

Mr. Vishnu Nimbkar, C/O M.C.Srinivasa Rao,
Muchukota, via., Tadpatri. M.S.M.

"TRUE COPY".



Page 1 of Petition.

. C. Srinivasa Rao,
sent to Mr. V. Nimbkar.

Muchukota,
Via., Tadpatri. M.S.M
30th June 1937.

The Collector of Bellary District,
B E L L A R Y.

Sir,

Mining - Prospecting - Bellary Taluk - Haraginadona village -
S. No. 326 & Janikunta village S.No. 293 - Red Oxide -
Application of Mr. V. Nimbkar for a Prospecting License.

Ref: Your letter P.L.A. 12/36 dated 24/6/1937.

I am sending, by separate Postal Money Order, the amount of
Rs.1000/- towards Security Deposit and I request you to kindly accept
the same.

I have written to Mr. V. Nimbkar asking him to send ~~hi~~ me the
original of his Renewed Certificate of Approval for 1937 and I will
submit the same as soon as it is received. In the meantime I beg to
state that the grant of the renewed certificate has been published in
the Fort St. George, Part II, Page 46 dated 12th January 1937.

In connection with the ferric oxide areas now applied for by
different applicants I beg to submit that while Mr. Y.D.Rami Reddi has
applied for the whole of S. No. 311 measuring about 475 acres, the
occurrence being limited to a narrow zone, the monopolising of such a
small occurrence by a single individual is not conducive to the proper
development of the business and is consequently detrimental to the
interests of the Government inasmuch as the whole area cannot be oper-
ated by one person and the royalty produced will be insignificant. I
beg to request that this aspect of the case may be kindly considered
and the area be distributed among the several applicants in proportion
to their capacity to produce and sell the mineral.

As a matter of fact since May 1936 upto date we have purchased
from Mr. Y. D. Rami Reddi 160 tons and we have placed a further order
for one wagonload. I beg to point out that beyond this quantity he has
not done much business. We will be satisfied with a portion of the area
- about 100 acres - to meet our requirements. We are in a position to
guarantee a minimum annual production of 200 tons. We would willingly
place our sale records before you for the calculation of the pit's
mouth value of the mineral (which works out, according to the existing
railway freight at Rs.18/- based on the selling price of Rs.30/- per ton
F.O.R.Bombay). We will be agreeable to pay the usual royalty at 2½% of
the sale value on a minimum quantity of 200 tons per year.

I beg to mention these facts to prove our bona fides and I
respectfully request that this petition may be favourably considered.

I beg to remain,
Sir,
Your most obedient servant,
Sd/ C. Srinivasa Rao.
A G E N T
to Mr. V. Nimbkar.

Copy to the Secretary,
Board of Revenue, Madras.

"True Copy" *

Page 2 of Petition
(1st Para).

bdr

Mr. C. Srinivasa Rao,
Agent to Mr. V. Nimbkar.

Tadpatri. M.S.M.
10th May 1938.

The Collector of Bellary District,
B E L L A R Y.

Sir,

Under instructions from my principal, Mr. V. Nimbkar, I beg to submit, herewith enclosed, his application for a Prospecting License over an area of about 150 acres in Survey No. 326 of Haraginadona village, adjacent to the plot in the same survey No. 326 now held by us under a prospecting license. I have verified by reference to the Registers of Prospecting Licenses and Mining Leases on 9/5/1938 by paying the prescribed fees that this area originally applied for by Mr. S.S.Guzdar of Calcutta is now available as I do not find any entry in the Registers.

I will be prepared to deposit the necessary fees for surveying this plot after hearing from you.

Encl: One application for a
Prospecting License
duly signed & stamped.

I beg to remain,
Sir,
Your most obedient servant,
Sd/- C- Srinivasa Rao
A G E N T
to Mr. V. Nimbkar.

"True Copy"
[Signature]

Page 2 of Petition
(2nd Para)

11

C. Srinivasa Rao,
Agent to Mr. V. Nimbkar.

Tadpatri. M.S.M.Rly.
18th August 1938.

The Secretary,
The Board of Revenue,
Land Revenue & Settlement,
Chepauk, M A D R A S.

Sir,

Mining - Red Oxide of Iron - Prospecting Licenses -
Bellary Taluk - S. No. 276 of Haraginadona and S. No. 326
of Janikunta village - Application from C. Srinivasa Rao,
Agent to Mr. V. Nimbkar.

Ref:- Bellary Collector's letter L.Dis.PLA' No. 3 & 4/38
D/8th July 1938.

I beg to submit that I applied on behalf of my principal, Mr. V. Nimbkar, for prospecting licenses for Red Oxide of Iron over S.No.276 of Haraginadona (80 acres) on 6/5/38 and S.No.326 of Janikunta village (150 acres) on 21/4/1938 after examining the Register of Prospecting Licenses and Leases at the Bellary Collectorate and satisfying myself that there was no mention therein of any mining concessions having been granted to anybody over the said areas. I received on the 17th July 1938 an order from the Collector of Bellary rejecting our applications on the ground that the "portions applied for are already included in the blocks granted on mining lease to Mr. S.S.Guzdar of Calcutta." (Vide original Order appended hereto.)

I now beg to appeal to the Board of Revenue against the said Order.

In the first place, no prospecting license or mining lease has yet been granted to Mr. S. S. Guzdar of Calcutta. If such a grant is under the consideration of the Board I beg to represent that, though Mr. S. S. Guzdar hold a number of mining concessions for barytes in Cuddapah, Anantapur and Kurnool districts for the last three years and more he has not done any mining work worth mentioning in any of the districts. This fact can be kindly verified from the Collectorates of Cuddapah, Anantapur and Kurnool.

By taking up areas and keeping them unworked indefinitely he is not ~~only~~ depriving the Government of the Royalty which they would otherwise earn by granting the areas to more desirable applicants, but also prevents other bona fide workers from getting the advantage of doing honest business. The same thing will happen if this iron oxide area is granted to him.

We have taken a good deal of trouble and spent large sums of money in introducing this shade of colour into the market and getting the same approved by the Indian Stores Purchase Department. We are the only people who are grinding oxides to the fineness prescribed by the British Standard Specifications. At present we are buying our requirements from Mr. Y.D.Rami Reddy who has obtained a mining lease over an area of about 470 acres comprising the whole of S. No. 311 of Haraginadona village. While we have to guarantee the uniform composition and timely deliveries of our supplies to our consumers it has been found by our experience during these two years that it is almost impossible to depend either for quality of material or for timely delivery on the mine-owners. We will be prepared to guarantee to the Government a stipulated minimum output & royalty higher than what anybody else can offer. Beyond the quantity that we ourselves buy from Mr. Y.D.Reddy he has not been able to ~~sell~~ sell any quantity on his own. Now that we have received enquiries from Great Britain and two other European countries for our oxide powders it has become all the more ~~essential~~ essential that we should possess a concession of our own in order to fulfil our obligations to the overseas consumers.

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Bellary Collector's letter of the 8th July 1938 (evidently posted on the 11th or 12th July 1938) reached me at my Hospet camp on 17th July 1938 having been redirected from Tadpatri. Since my principal, Mr. V. Nimbkar, is in England now I had to communicate the Collector's order to him and obtain his instructions to file this appeal. Hence there has been a delay of two or three days which I pray, may be kindly condoned.

I beg that this matter may be kindly taken into consideration

and S. No. 326 (150 acres) of Janikunta village may be kindly granted to us.

In this connection I must submit that we have carried out extensive trial excavations over the remaining portion of S.No.326 of Janikunta and proved that they are barren of any kind of oxide.

I beg to remain,
Sir,
Your most obedient servant,

"TRUE COPY"

C. S. Rao

Sd/ C.Srinivasa Rao
A G E N T
to Mr. V. Nimbkar.

Page 2 of Petition
(Para .3)

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Proceedings of the Board of Revenue, Madras.

Name.- F.W.Stuart, Esquire, M.C., C.I.E., I.C.S.,
Commissioner of Land Revenue.

Rout: No. 3835, dated the 13th September 1938.

Short Title: Mining - Prospecting license - (Bellary) - Bellary
Taluk - S. No. 276 of Haraginadona village and
S. No. 326 of Janikunta village - Nimbkar.V - Appeal
petition - Rejected.

Petition from Sri C.Srinivasa Rao, Agent to Mr. V.
Nimbkar, dated the 18th August 1938.

-:-

RESOLUTION.

As the petitioner has no right of priority, the Board
sees no reason to interfere with the Collector's order. The petition
is rejected.

(True Extract)

(Sd) K.P.Krishnan Nayar,
Asst. Secretary.

To Sri C. Srinivasa Rao,
Agent to Mr. V. Nimbkar, Tadpatri.

Copy to the Collector of Bellary

F O R W A R D E D
(By order).

Sd/- -----
Superintendent.

"TRUE COPY."

Bob

Page 2 of Petition
(Para. 3)
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12/1

24

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Dev. Dept.

Enclt. No 376 II/39-1 d 12.1.39.

pp 2-12 CF ^{Original} ~~Ref.~~ From Mr. C. Srinivasa
Agent to Mr. V. Nimbhar
Rao, Tadpatri d 29.12.38.

Sub: Mines - Prospecting
Licence - Red Oxide of
Iron - Bellary taluk,
Tainigunta village - appeal.

Referred to the Board
of Revenue for remarks.

Rev ✓

pp 2-12 CF

(with pp 2-12 CF. in original
to be returned with reply)

Sd/- 801
7.1.39. 7.1.39

G

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CW

12.1.39

Ord. by _____
Sd/- 16-1-1939

ER. 27.2.39.